IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

SPECIAL CIVIL APPLICATION No 8570 of 2004

For Approval and Signature:

HON'BLE MR.JUSTICE K.S.JHAVERI

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the concerned Magistrate/Magistrates,Judge/Judges,Tribunal/Tribunals? : NO

OIL & NATURAL GAS CORPORATION LIMITED

Versus

JAIHIND PROJECTS LTD.

Appearance:

1. Special Civil Application No. 8570 of 2004

MR AJAY R. MEHTA for Petitioner No. 1

MR SN THAKKAR for Respondent No. 1

CORAM : HON'BLE MR.JUSTICE K.S.JHAVERI

Date of decision: 13/09/2004

ORAL JUDGEMENT

1. Rule. Mr. M.R. Bhatt, learned advocate for the

respondent waives service of rule. With the consent of the parties this matter is taken up for final hearing.

2. The Arbitrator in para-11.04, 12.0 has observed as under:-

" 11.0.4 Issue No.1:

As per Respondent's work completion certificate (C-1 p.23) the work was completed in 120 days (in time limit). The claimant has shown that he was hindered by the respondent in completion of the work due to various reasons as discussed in above paras. If such hinderance would not there, he would have completed the work much before time limit so he is entitled for a bonus as per the clause 2.4.1 of contract agreement (Vol R 2 P.19). He is entitled for bonus of 13 % but the clause restrict the same to 10 % of contract value. The claimant has executed the work to the value of Rs.80,94,487-00 hence as per clause he is entitled for bonus of 10% of the value. The issue no.1 is replied in affirmative. I as a arbitrator decide that the claimant is entitled to a payment of Rs.8,09,449-00 (Rs. Eight lacs, nine thousand four hundred and fourty nine only) from the respondent against his claim."

" 12.0 In view of the position and in light of the facts of the case I decide that this is a fit case to award interest and therefore I award interest on the amount awarded for claim as under;

(i) Simple interest at the rate of 18 % (Eighteen Percent) per annum for the period from Dt: 1-5-90 to Dt: 23-2-2002 (both days inclusive)

(ii) Simple interest at the rate of 18% (Eighteen Percent) per annum from the date of publication of the award till the date of actual payment, on award amount. "

3. The arbitrator has awarded 18 % interest from 1-5-1990 to 23-2-2002 (both days inclusive). However, as agreed between the parties, the petitioner will pay principal amount within 8 weeks from today along with simple interest at the rate of 15 % instead of 18 % as awarded by the arbitrator from 1-5-1990 till the date of actual payment. Petition is disposed of accordingly. Rule made absolute to the above extent only. No order as

to costs.

4. In view of disposal of the petition by agreement between the parties as aforesaid, and if the amount is paid as agreed between the parties, the execution proceeding pending before the Court below will not survive.

Dt: 13-9-2004 (K.S. JHAVERI, J)

/vgn